

VZCZCXRO0124  
RR RUEHAST RUEHDBU  
DE RUEHAST #0042/01 1301607  
ZNR UUUUU ZZH  
R 101607Z MAY 06  
FM USOFFICE ASTANA  
TO RUEHC/SECSTATE WASHDC 0125  
INFO RUEHTA/AMEMBASSY ALMATY 0117  
RUEHEK/AMEMBASSY BISHKEK 0021  
RUEHBUL/AMEMBASSY KABUL 0031  
RUEHDBU/AMEMBASSY DUSHANBE 0021  
RUEHNT/AMEMBASSY TASHKENT 0017  
RUEHAH/AMEMBASSY ASHGABAT 0017  
RUEHAST/USOFFICE ASTANA 0127

UNCLAS SECTION 01 OF 02 ASTANA 000042

SIPDIS

SENSITIVE  
SIPDIS

SCA/CEN - O'MARA, MUDGE

E.O. 12958: N/A

TAGS: [ETRD](#) [ECON](#) [EAIR](#) [KZ](#) [AF](#) [TI](#) [UZ](#) [KG](#) [TX](#) [ZK](#)

SUBJECT: KAZAKHSTAN: ASSISTANT SECRETARY BOUCHER MEETS WITH TRANSPORT MINISTER MAMIN

11. (SBU) Summary: During a May 5 meeting with Assistant Secretary Boucher and Elisabeth Millard of the NSC, Minister of

SIPDIS

Transport and Communications Mamin discussed the new \$26 billion Transportation Strategy, ambitious plans for Air Astana, and ideas for infrastructure projects aimed to spur Kazakhstan's economic integration in the region. End summary.

12. (SBU) One month ago, Mamin began, the Kazakhstani government adopted a new 2006-2015 Transport Strategy. The Strategy focuses on new transport infrastructure and has a \$26 billion price tag. Of this, 70% is planned to be realized through private investment. The port of Aktau needs to be upgraded, said Mamin. There is a firm intention to link the ports of Aktau and Baku by putting railcars on barges. Another priority is building a new highway to link central Kazakhstan with the country's west. Such a road will cut the distance by 1,000 km relative to the existing route. There are also plans to establish a second railway link with China. China, Mamin remarked, is currently shifting to its west both population and capital. By 2010 there will be more than 300 million people in China's resource-rich northwest region.

13. (SBU) Cooperation with neighboring countries of Central Asia is an important issue, Mamin noted. They are all, he remarked, at different stages of economic development. The Kazakhstani government is holding consultations with its Central Asian counterparts. The latest round, focusing on the transportation needs of Afghanistan, took place in Kazakhstan on March 29. Kazakhstan is also exploring various transportation routes within three multilateral frameworks: TRACECA, the Organization for Economic Cooperation (OEC), and the Eurasian Economic Community (EurAsEC). Mamin remarked that collaboration in the OEC framework is not particularly effective due to "discrepancies in the region." On some programs, he added, there is a lack of understanding on the part of Uzbekistan. (Note: TRACECA, the Europe-Caucasus-Central Asia Transport Corridor Program, encompasses 13 countries of Eastern Europe, the Caucasus, and Central Asia, including Afghanistan, and seeks the development of transportation links between Europe and Asia. OEC consists of the five Central Asian countries plus Iran, Turkey, Azerbaijan, and Afghanistan. EurAsEc is made up of Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Russia, and

Belarus. End note.)

¶4. (SBU) Mamin mentioned visit that day to Astana of Tajikistan's President Rahmonov. The discussions, he said, included establishing the Kazakhstan-Kyrgyzstan-Tajikistan-Afghanistan-Pakistan road corridor. Kyrgyzstan is in the process of reconstructing 807 km of roads, and Tajikistan is also conducting selective repairs. The road from Tajikistan to Afghanistan is in satisfactory condition, Mamin noted, but the link between Pakistan and Afghanistan is worse. Noting that the total distance from Almaty to Karachi is 3500 km, Mamin observed that if Afghanistan, with U.S. help, establishes a viable road link, Kazakhstan will have good access to Pakistan. The Assistant Secretary noted the tremendous size of India's market and the

SIPDIS

possibility of linking Pakistan with India. He also mentioned the importance for Kazakhstan of establishing transportation links in multiple directions, both to expand its economic possibilities and strengthen its economic independence.

¶5. (SBU) Mamin went on to discuss aviation issues. Kazakhstan links its hopes of air market development to Air Astana, "a new company that is quite dynamic," he said. Kazakhstan wants to have 35-40 aircraft by 2015. Next month Mamin plans to hold discussions with Boeing and Airbus. Kazakhstan is establishing three air hubs, he said: Almaty, Astana, and Atyrau ("the oil capital"). There is regional competition from Tashkent, which thanks to government policies enjoys new planes and developed airports. But, Mamin said, Kazakhstan is now taking over. International carriers are switching from Tashkent to Almaty as well as Astana. Kazakhstan is also actively reconstructing its ground infrastructure, at the rate of two to three runways per year, as well as terminals. Starting next year, there is also a plan to ban flights on all Soviet-era aircraft and switch to western planes.

¶6. (SBU) Mamin said that the Kazakhstani government is not currently interested in signing Open Skies Agreements.

ASTANA 00000042 002 OF 002

Kazakhstan, he explained, has bilateral relationships and is focusing on developing its domestic carrier, Air Astana, which operates under British management. Still, he added, we impose essentially no limitations. Responding to the Assistant Secretary's question on the possibility of starting flights to

SIPDIS

Kabul, Mamin replied that for economic reasons Air Astana currently has no such plans. There is now a Kabul-Almaty weekly charter flight operated by Kam Air on a Boeing 737. That flight, however, has only a 26% occupancy, making the route less than economically feasible.

¶7. (U) This message has been cleared by A/S Boucher.

TRACY